



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/751,721	12/29/2000	John Brixius	17209-005	8324

54205 7590 12/01/2006

CHADBOURNE & PARKE LLP  
30 ROCKEFELER PLAZA  
NEW YORK, NY 10112

EXAMINER
----------

PATEL, JAGDISH

ART UNIT	PAPER NUMBER
----------	--------------

3693

DATE MAILED: 12/01/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Application No.</b> 09/751,721	<b>Applicant(s)</b> BRIXIUS, JOHN	
	<b>Examiner</b> JAGDISH PATEL	<b>Art Unit</b> 3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on \_\_\_\_.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 1-7, 9-18 and 20-23 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-7, 9-18 and 20-23 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. ____. |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date ____. | 6) <input type="checkbox"/> Other: ____.  |

**DETAILED ACTION**

1. This communication is in response to amendment filed 9/5/2006.

***Response to Amendment***

2. Claims 1, 10, 16,17, and 22 have been amended. Claims 8 and 19 have been cancelled.

***Response to Arguments***

3. Applicant's arguments with respect to pending claims 1-7, 9-18 and 20-23 have been considered but are moot in view of the new ground(s) of rejections.

***Claim Rejections - 35 USC § 101***

4. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 22 and 23 rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Claims 22 and 23 recite a computer signal embodied in a digital data stream. However, the PTO recently issued interim examination guidelines that such signal claims are ineligible for patent protection because they do not fall within any of the four statutory classes of Sec. Accordingly, claims 22 and 23 are rejected under 35 USC 101 as non-statutory subject matter.

***Claim Rejections - 35 USC § 112***

5. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

6. Claims 10 and 11 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claim 1 does not depend upon the type of a security, whether it is physical or electronic because the step of receiving data, receiving verification and generating document is carried out irrespective of the form of the security, i.e. physical or electronic. Therefore, the relationship of the converting a physical security into an electronic format to generating documentation supportive of the trade is not clearly recited which renders claims 10 and 11 unclear.

***Claim Rejections - 35 USC § 103***

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

8. Claims 1-7 and 9 are rejected under 35 U.S.C. 103(a) as being unpatentable over Michaels, Jenna; Compliance Under Control; Wall Street and Technology; May 1997, Vol. 9, Issue 9; Pg. 17 (Hereafter Wall Street).

Art Unit: 3693

Claim 1: Wall Street teaches a computer implemented method for processing restricted securities trades (see col. 1 Para 1, Automated Compliance System) the method comprising:

receiving data relating to restrictions associated with the trades of a security (Automated Compliance System monitors 45 restrictions, Abstract);

receiving electronic verification that the data is correct (inherent part of receiving implementing the 45 restrictions);

automatically generating documentation supportive of the trade wherein the generated documents include at least a legal opinion (pg.2 para 5 Automated Compliance System's audit trail include includes a restriction);

Wall Street fails to teach the features of electronic signature to execute the generated document . However, Millard (see prior office action) in the same field of endeavor teaches this feature, see receiving an electronic signature .. ([0279] ..refer to electronic document digital signature and authentication; ..[ 0283] – [0284] affixing signatures to their documents..

It would have been obvious to one of ordinary skill in the art of electronic trading to provide for execution of the documents by receiving an electronic signature in the Wall Street reference because processing documents with electronic signature in the Wall Street method would further improve the trading of the restricted securities since electronic signature (1) Removes the need for paper documents by using a Web-based online process. (2) Removes mail time from the process. (3) Is more convenient. And (4) Provides better data accuracy and reduced processing time.

Claim 2: trade comprises a simple restricted sale (refer to pg.1 para 5 a trade that violate an obscure government regulation);

Claim 3: additionally comprising the step of transmitting an instruction to execute the trade (pg. 2 para 5 go through the trade);

Claim 4: additionally comprising forwarding trade information (pg. 2 para 5 go through the trade);

Claim 5: data relating to the restrictions comprises a checklist of questions related to the restrictions ( pg. 2 para 1 “compliance rules and regulations” also pg. 1 para 3 “ 40 mutual fund regulations” ).

Claims 6 and 7: refer to discussion of documentation in claim 1 analysis.

Art Unit: 3693

Claim 9: the step of receiving edits to the generated document ( pg. 2 para 5 “give a reason the trade should be allowed”).

9. Claims 10 and 11 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wall Street and further in view of USA Today, Dec 15, 1991.

Claims 10 and 11: Wall Street fails to teach however, USA Today in the same field of endeavor, teaches the step of converting of physical securities to electronic format and implicit benefits of thereof. In particular, it is evident that converting the physical security into an electronic format provides numerous benefits including faster settlement via electronic trading systems, overriding a need for safekeeping.

It would have been obvious to one of ordinary skill in the art of electronic trading to provide for a capability to trade of a security based on a physical restricted security and further transmitting an instruction to convert the physical security into an electronic format because this would provide the stated benefits.

Claim 11 recites acknowledgement of the completion of the conversion as stated in claim 10. It is noted that providing confirmation of receipt of and completion of a financial transaction is old and well known and therefore obvious to one of ordinary skill in the art to provide for this process step.

10. Claims 12-15 rejected under 35 U.S.C. 103(a) as being unpatentable over Wall Street and further in view of Millard.

Claim 12-15 : Wall Street fails to disclose that the trade compliance process is performed over a communication network with the constituent components.

However, trading of financial securities and communicating relevant data over a computer network is well-established practice such in electronic commerce, as already exemplified in Millard reference cited in the prior office action.

It would have been obvious to one of ordinary skill in the art at the time of the invention to implement the trade compliance process of Wall Street over a communication network/Internet/Intranet as deemed appropriate by a financial institution because it would allow geographically disperse users to access the trading rules and regulations mandated by the financial institute (such as a trading house) as discussed in the Wall Street reference.

All other limitations of claim 12 have been analyzed in accordance with the corresponding process claim 1.

Claim 16 is similarly as claims 12.

Claim 17 recites process underlying apparatus claim 12 and is analyzed accordingly.

Art Unit: 3693

Claim 18: viewing the data stream via graphical user interface is inherent to a trade compliance system of claim 12 and method of claim 17.

Claims 20 and 21: see claims 6 and 7.

Claims 22 and 23 and analyzed according to product claims 12-15.

### *Conclusion*

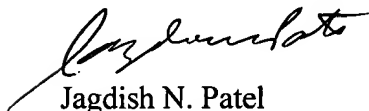
The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JAGDISH PATEL whose telephone number is (571) 272-6748.

The examiner can normally be reached on **800AM-630PM Mon-Tue and Thu**

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammel can be reached on (571) 272-6712. The fax phone number for the organization where this application or proceeding is assigned is 517-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Jagdish N. Patel

(Primary Examiner, AU 3693)

11/28/06